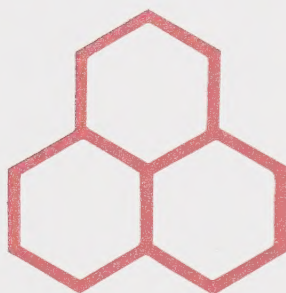
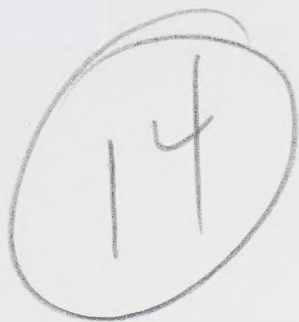


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HAMILTON TRUST AND SAVINGS CORPORATION

ANNUAL REPORT - 1966

"There is no doubt but that the most important document among the records of any commercial enterprise is its balance-sheet. That document, of course, owes its importance not to the facts and figures it contains, but to the people, the human effort and striving, represented by its mathematical symbols."

Samuel Bronfman
in his preface to
Stephen Leacock's
"Canada—The Foundations of Its Future"

REPORT TO THE SHAREHOLDERS



HALLIWELL SOULE, Q.C.
President

On behalf of the Board of Directors, it is my pleasure to submit the Annual Report of the Corporation for the year ended 31 October, 1966.

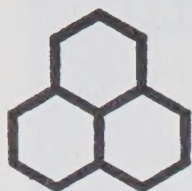
The past year was a good year and your company showed excellent progress. Despite "tight money" and increased competition, we continued to grow in earnings, assets and most significantly in account holders.

HIGHLIGHTS

	1966	1965	1964
Net Profit (Loss) before			
Depreciation	\$ 49,283	\$ (59,526)	\$ (115,860)
Trust Funds on Deposit	7,665,980	6,051,324	2,821,546
Guaranteed Investment			
Certificates	7,135,935	4,720,088	2,048,530
Account Holders	17,000	14,000	8,000
Estates, Trusts and Agencies	4,060,700	3,366,990	1,575,679
Assets under Administration	20,739,685	16,080,707	8,532,841

Particularly significant is the fact that in less than three years since we opened our first office, we have reached a very encouraging level of profit from operations before depreciation.

From inception, the Directors have followed a policy of planning the growth and development of the Corporation on what was considered best over the long term, rather than aiming for any short range profit. Pursuant to this policy, and as prudent long term planning, the Directors have created an investment reserve as a buffer for the future. I am not aware of any charges that should or are likely to be made against this reserve.



At no stage of our development has our company ever been stronger. We have a growing business, loyal customers and, above all, an enthusiastic, competent and friendly staff—a sound base for steady further growth.

To our Directors, members of our Tillsonburg Advisory Board, and to the staff of Hamilton Trust, I express my sincere thanks for the excellent job that they have done in building the image of our Corporation.

To each of our shareholders, I would emphasize the fact that Hamilton Trust benefits substantially from your assistance. Whenever you can encourage anyone to deal with us, be he the smallest child or the richest merchant, you will have again helped to build your Corporation.

Canada is entering a new century. When we look into the years ahead, we cannot help but picture a wonderful opportunity. During the next five years, statistics indicate Canada's family formations will triple. Over the foreseeable future, Canada, with its vast natural resources, must continue to grow as a great force in international commerce. It is said that this is Canada's century. We, at Hamilton Trust, subscribe to this view and deem ourselves fortunate to have a sound, progressive company established in the fastest growing area in this continent and ready to participate in this opportunity.

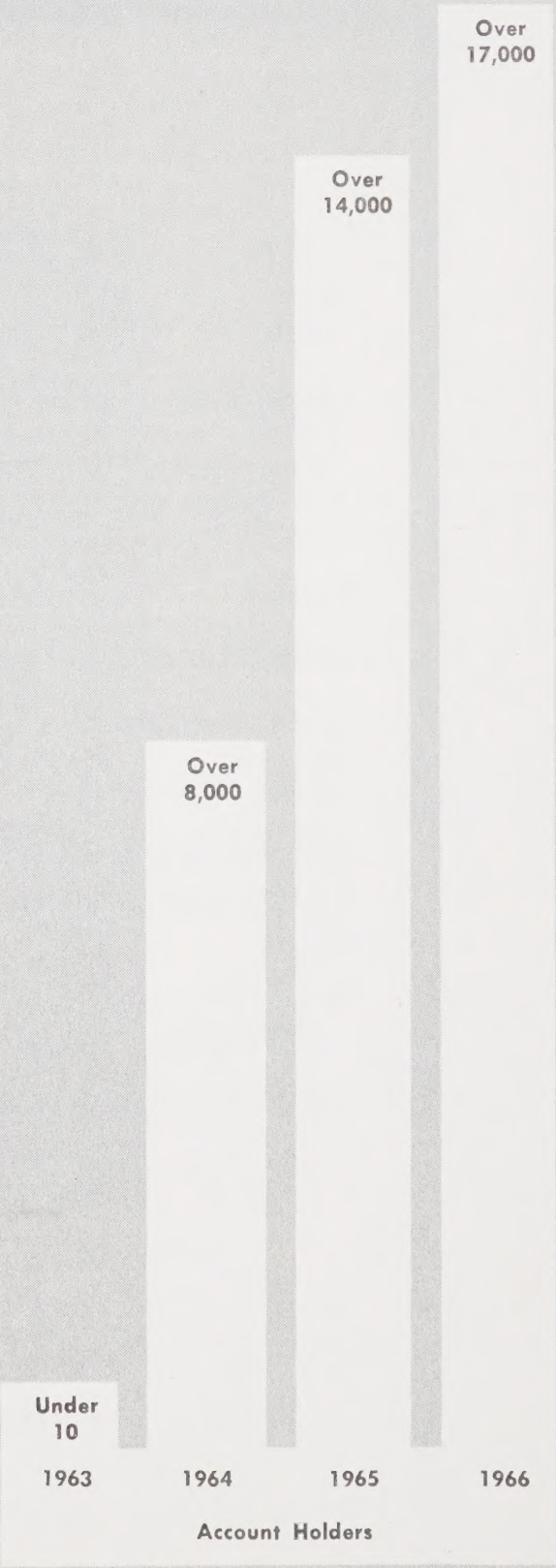
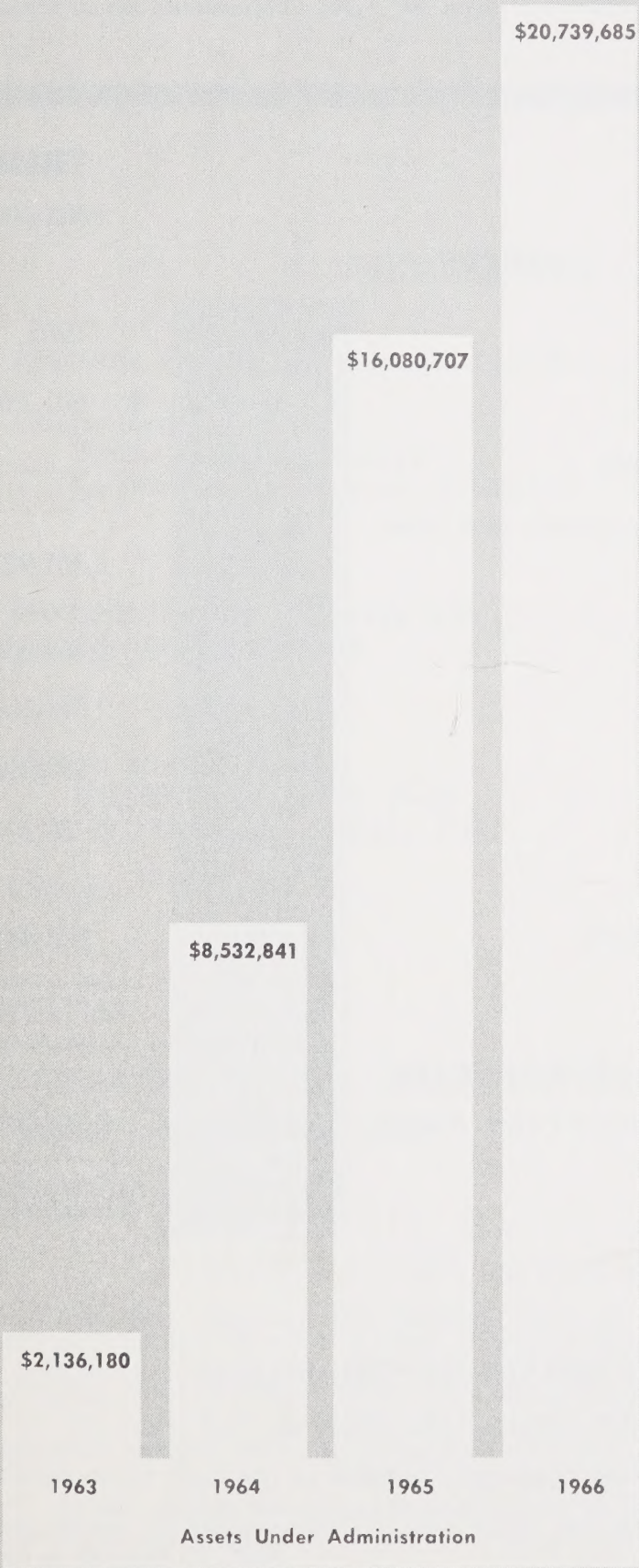
Respectfully submitted,

Wallace Soule

President.

15 December, 1966.

OUR GROWTH AT A GLANCE





HAMILTON TRUST AND SAVINGS CORPORATION

(Incorporated under The Loan and Trust Corporations Act of Ontario)

		BALANCE
		As at October 31
ASSETS		
	1966	1965
Cash	\$ 370,023	\$ 601,724
Bank Term Deposit Receipts	1,539,636
Government, Municipal, Corporate and other Bonds (Note 1)	2,478,069	1,861,961
	<hr/> 4,387,728	<hr/> 2,463,685
First Mortgages	11,250,625	9,316,666
Collateral Loans	324,154	151,202
Other Assets	20,607	28,282
Fixed Assets at cost less Accumulated Depreciation	695,871	753,882
	<hr/> 16,678,985	<hr/> 12,713,717
ESTATES, TRUSTS AND AGENCIES		
Cash, Securities, Mortgages and Other Assets	4,060,700	3,366,990
	<hr/> \$20,739,685	<hr/> \$16,080,707

SIGNED ON BEHALF OF THE BOARD

HALLIWELL SOULE, Q.C., *Director*

J. ROSS FISCHER, *Director*

BALANCE SHEET

October 31, 1966

LIABILITIES AND CAPITAL

	1966	1965
Accounts Payable and Accrued Liabilities	\$ 1,256	\$ 1,841
Guaranteed Funds—		
Trust Funds on Deposit	7,665,980	6,051,324
Guaranteed Investment Certificates	7,135,935	4,720,088
	<u>14,801,915</u>	<u>10,771,412</u>
Mortgage Payable—Canada Life Assurance Company	315,481	324,521
	<u>15,118,652</u>	<u>11,097,774</u>
Capital Stock Issued—		
166,960 Shares Fully Paid	1,669,600	1,669,600
49,000 Shares Partially Paid	49,000	49,000
Deficit	(158,267)	(102,657)
	<u>1,560,333</u>	<u>1,615,943</u>
	<u>16,678,985</u>	<u>12,713,717</u>
ESTATES, TRUSTS AND AGENCIES		
Assets Under Administration	4,060,700	3,366,990
	<u>\$20,739,685</u>	<u>\$16,080,707</u>

AUDITORS' REPORT TO THE SHAREHOLDERS

We have examined the Balance Sheet of Hamilton Trust and Savings Corporation as at October 31, 1966. Our examination included a general review of the accounting procedures and such tests of accounting records and other supporting evidence as we considered necessary in the circumstances.

The assets held for Guaranteed Account and for Estates, Trusts and Agencies are kept separate from the Company's own assets and are so earmarked on the books of the Company as to show the accounts to which they belong.

In our opinion, the accompanying Balance Sheet when read in conjunction with the Notes appended thereto presents fairly the financial position of the Company as at October 31, 1966.

McDONALD, CURRIE & CO.,
Chartered Accountants.



Notes to the Balance Sheet

Note 1: Bonds

Bonds are carried at amortized cost and the aggregate is more than quoted market values.

Note 2: Options to Purchase Share Capital

Certain employees and members of the Tillsonburg Advisory Board have been granted options to purchase 21,500 shares of the corporation at a price of either \$11.00 or \$12.00 per share under individual agreements that expire on various dates none of which is later than September 1, 1974. No options have been exercised.

Note 3: Estates, Trusts and Agencies

Pursuant to Section 77(h) of The Loan and Trust Corporations Act of Ontario the Corporation has guaranteed 305 mortgages which it administers on an agency basis. This guarantee applies to both principal and interest and the balance of the mortgages as at October 31, 1966, amounts to \$2,983,347. No losses have occurred since the inception of these agencies.

Note 4: Regulations

In accordance with regulations established in 1965 by the Department of Insurance of the Province of Ontario certain expenditures in excess of \$40,000.00 have been charged to operations that under generally accepted accounting principles would appear as an asset of the Corporation since they represent a charge against future operations.

STATEMENT OF EARNINGS AND DEFICIT

For the year ended October 31, 1966

	1966	1965
Net Revenue	\$ 426,440	\$ 324,336
Operating Expenses	377,157	383,862
Net Earnings (Loss) Before Provision for Depreciation	49,283	(59,526)
Provision for Depreciation	69,893	75,029
Net Loss for the Year	(20,610)	(134,555)
Transfer to Investment Reserve	35,000
(Deficit) Surplus— Beginning of Year	(102,657)	31,898
(Deficit)—End of Year	(\$ 158,267)	(\$ 102,657)

TRUST SERVICES OFFERED



Estate Planning

Estate and Trust Administration

Executor of Wills

3½% on Chequing Accounts

4¼% on Savings Accounts

6½% on Guaranteed Investment
Certificates

Deposit-by-Mail

Safety Deposit Boxes

Registered Retirement Savings Plans

Stock Transfer Agent and Registrar

Investment Management

Pension Fund Trustee

First Mortgage Loans



EXECUTIVE OFFICERS AND MANAGERS



THE HON. ELLEN L. FAIRCLOUGH,
P.C., F.C.A.
Secretary

Mrs. Fairclough is well known as a former Cabinet Minister in the Federal Government and is a lifetime member of the Privy Council. She is a Chartered Accountant by profession and in 1965 was honoured by election as a Fellow of The Institute of Chartered Accountants. In addition to her duties as Secretary of the Company, Mrs. Fairclough is responsible for the administration of the stock transfer and guaranteed investment certificate department. Her experience and background have been invaluable in the development of Hamilton Trust.



D. C. FIELD, F.C.I.S.
Superintendent

Mr. Field has extensive experience in Trust Services and Management, having been the manager of the main branch of a leading eastern trust company. He is a graduate of the Trust Officers' Course conducted by Queen's University, a Fellow of The Chartered Institute of Secretaries, and at the time of joining Hamilton Trust in September 1963 was the Vice-President of The Trust Companies Association of Nova Scotia.

PETER F. MASKELL, *Trust Officer*

DENTON J. BUTLER, *Manager, Mountain Plaza Office, Hamilton*

J. KENNETH CRUNDEN, *Manager, 8 Oxford Street, Tillsonburg*

REGINALD L. FISHER, *Manager, Main Office, Hamilton*

ALEX O. MIDDLETON, *Manager, Westdale Office, Hamilton*

LLOYD T. SPALDING, *Supervisor of Branches*
Manager, Ottawa Street Office, Hamilton

BOARD OF DIRECTORS

WILLIAM EWEN BRUNNING <i>President, Income Disability and Reinsurance Company of Canada</i>	Burlington
MURRAY G. BULGER <i>President, Murray G. Bulger & Associates Ltd.</i>	Toronto
JOSEPH ROSS FISCHER <i>President, J. Ross Fischer Hotels Limited</i>	Hamilton
ROBERT GLENN GROOM, Q.C. <i>Barrister & Solicitor</i>	Tillsonburg
FRANK P. GOLDBLATT <i>President, International Iron & Metal Company Limited</i>	Hamilton
NORMAN GRAHAM JAMES <i>President, Income Life Insurance Company of Canada</i>	Burlington
GEORGE C. KNOWLES <i>Financial Consultant</i>	Toronto
GEORGE A. MILLER <i>Vice-President, Brennan Paving Company Limited</i>	Burlington
CHARLES A. READ, C.A. <i>Chartered Accountant</i>	Winnipeg
PHILIP ROSENBLATT <i>President, Norton Motor Lines Limited</i>	Hamilton
DONALD G. ROSS <i>President, Ross, Knowles & Company Ltd.</i>	Toronto
WILLIAM CHARLES SCHWENGER <i>President, Schwenger Construction Limited</i>	Burlington
HALLIWELL SOULE, Q.C. <i>President, Hamilton Trust and Savings Corporation</i>	Burlington
WALTER PETER THOMSON <i>President, C. E. Thomson & Company Limited</i>	Hamilton

TILLSONBURG ADVISORY BOARD

MAX A. COYLE <i>Secretary-Treasurer, Coyle Motors Limited</i>	Delhi
CYRIL J. DEMEYERE <i>President, C. DeMeyere & Sons Limited</i>	Tillsonburg
ROBERT GLENN GROOM, Q.C. <i>Barrister & Solicitor</i>	Tillsonburg
JOHN GYULVESZI <i>President, Gilvesy Construction Limited</i>	Tillsonburg
EDWARD S. VANCE <i>President, Denton-Vance Insurance Limited</i>	Tillsonburg



HAMILTON

Mountain Plaza—Upper James and Fennell
Westdale —1053 King Street West at Newton
Downtown —75 James Street South
East —335 Ottawa Street North at Barton

TILLSONBURG

8 Oxford Street